Vol. 14, No. 11 March 19, 1963

Managing the news is a trickier business than managing a hamburger stand or even a steel mill. News is just about the most explosive commodity after H-bombs; and when it exceeds the critical mass of enriched lies, it has a way of blowing up in the manager's face. The peculiar problem of the news manager comes from the fact that the very completeness of his success can wreck his operation. No one bothers about a routine exaggeration, a slanting against the opposition, the suppression of a few uncomfortable facts, even an occasional outright lie, from "government sources": everyone knows that's the way all governments are. But when distortion, planted fakeries, plain and fancy lying, in big things as in small, become a government's normal routine, then, after a while, no one believes it any longer. This is what happens under totalitarian regimes where the citizens become skeptical of *every* official statement on every subject. They learn to read accurately between official lines, and develop an extraordinary informal grapevine.

Mr. Kennedy may live to regret the ingenuity and scope of his news management—as he must certainly regret, already, its indiscreet avowal by several members of his Administration. Now that we all know how carefully he times news releases in order to seize the big—and unchecked—play in newspapers and on TV newscasts, we will pay less attention to headlines and sensational bulletins from Washington. Since we know that reports embarrassing to the Administration are sat on or censored, we will put less stock in those that are published, and dig out hidden information by other means. It being proved that the Administration not only concealed the truth about Cuba in September but lied about what it knew, we will keep our fingers crossed on anything it may say in March about Cuba—or France or California.

It is a good idea to distrust any government, including one's own, up to a certain healthy point. But it is a dreadful thing if the citizens must distrust their government utterly. Let us assume that most of what Mr. Kennedy's spokesmen tell us is true, as it quite probably is. Still, when we know—when he has himself told us—that some is false and all deliberately managed not for the sake of communicating the truth but to produce desired political effects, and when this managing is not only or primarily to deceive an external enemy but to manipulate the citizens at home—when we know all this, how can we be sure that *this* statement now before us is not one of the phonies? To get back in frank communication with his country, the President is going to have to give some impressive demonstrations of playing it straight and open.

NATIONAL REVIEW

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BULLETIN

THE WEEK

■ **TWENTY DISSENTERS, DEMOCRATS ALL,** voted against this year's record $360,000 appropriation for the House Committee on Un-American Activities. Among the troops rounded up by California's James Roosevelt and New York's rising left-wing star, William Fitts Ryan, there were ten freshmen.

■ **ONE UP, ONE DOWN FOR ROCKY,** was last week's score, and the down hurt more than the up could help. Michigan's Governor George Romney bowed himself out of the Presidential run; and this meant, as everyone knew, that he was clearing his part of the road for the Rockefeller Express. But Michigan won't count much for the Governor of New York unless he can hold his own state in line. And simultaneously last week Rocky took his worst licking since he arrived in Albany. A large bloc of Republicans joined the Democrats—and nine out of ten New York voters, to judge by almost universal comment—to attack his proposals for raising auto and other license fees to balance his record budget. The Governor, certain to lose in the legislature if things came to a vote, called it quits, and dropped most of the fees overboard.

■ **CONNECTICUT'S JOHN LUPTON**—a leading conservative, who as GOP candidate for Representative at Large last fall ran well ahead of gubernatorial candidate John Alsop and the rest of the slate—may lead a bloc of conservative delegates to the 1964 GOP convention, and perhaps pick up the senatorial nomination for himself besides. He's going about the task by organizing a Connecticut branch of the Republican Citizens Committee (born in Gettysburg out of Dwight Eisenhower way back last year), without waiting for a by-your-leave from the State Committee—but with plenty of support

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ON THE LEFT

Leftist ideologues are setting up a Center for Policy Studies in Washington, D.C. to supersede the Liberal Project established in 1959 by "ten Democratic congressmen and forty-six intellectuals, scientists and scholars." Because of the uproar following the Project's publication of the egregious *Liberal Papers* last year, the Center for Policy Studies will be free of congressional involvement. Among the staffers: super-SANE Professor David Riesman of Harvard, who has signed up to work on it for six months.

Several score Liberals and left-wingers met in a large midtown New York apartment some time ago to discuss the rehabilitation of Alger Hiss. Operations are proceeding according to plan. First had come the sympathetic Hiss profile in *Esquire*. Then followed the Hiss TV appearance under Howard K. Smith's baton. Phase III opens with a long review by Hiss, in New York's *Village Voice*, of Thomas Molnar's *The Decline of the Intellectual*. The rhetoric is calm and thoughtful, only a bit condescending, and wonderfully well designed to stimulate Liberal libidos to a revival of old longings.

Two significant factors in the recent election of Juan Bosch to the Presidency of the Dominican Republic were the warm favor of the U.S. State Department, and Bosch's persuasive denial of Communist affiliation, which had been alleged by a priest during the campaign. Taken in conjunction, and alongside the cordial whitewash accorded him by the Liberal press here, these factors give Bosch a much more moderate appearance than his history as a left-wing activist justifies. His record includes association with Rómulo Betancourt in the latter's early Communist phase, activity in the revolutionary and pro-Communist Caribbean League, aid to the Communist-backed Jacobo Arbenz in Guatemala, and sympathetic relations rather late in the game with Fidel and Raul Castro and Che Guevara.

Over the past fortnight *The Worker* and *People's World* have emphasized: a pro-Khrushchev statement by Palmiro Togliatti, general secretary of the Italian CP, upholding the Russian line against the Chinese critique; special sympathy for striking coal miners in Eastern Kentucky; Negro unity, with an open invitation to the Black Muslims to join hands; the "power grab" of the John Birch Society, particularly in California's recent GOP assemblies; the great victory of the Supreme Court's loss of citizenship decision (the petitioners, for whom the Court found 5-4, were Communists now living in Czechoslovakia, and were represented by counsel from the Emergency Civil Liberties Committee, a Communist front).

NATIONAL REVIEW is published weekly by National Review, Inc. at 163 Pratt St., Meriden, Conn. (second class postage paid at Meriden, Conn.). Copyright 1963 in the U.S.A., by National Review, Inc. All manuscripts, letters, subscription orders, changes of address and undeliverable copies should be sent to:

EDITORIAL AND CIRCULATION OFFICES
National Review
150 East 35th St., New York 16, N.Y.
Telephone ORegon 9-7330

RATES: $16.00 a year ($9.00 for the 36-page issues, and $7.00 for the 8-page issues published on the alternate fortnights). In all cases, add $1.00 for Canada, $2.00 for other foreign subscriptions.

EDITOR: William F. Buckley Jr. PUBLISHER: William A. Rusher
EDITORS: L. Brent Bozell, James Burnham,
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from Gordon W. Reed of Greenwich, a trustee of the national Citizens Committee, and other prominent Republicans. Since the State Committee is under solid Liberal control a bitter fight is ahead.

■ **MISSISSIPPI REPUBLICANS ARE JUBILANT** over election of Goldwater Republican L. L. McAllister to the state legislature—the first GOP state legislator since 1920. Campaigning on a hard anti-Kennedy platform, and backed by an increasingly muscular GOP organization, McAllister got 57% of the vote in his district (Meridian). State GOP leaders see his victory not only as a significant breakthrough, but also as a good-luck omen for the gubernatorial campaign this autumn, of Goldwater Republican Rubel Phillips.

■ **TEENAGERS GO TO PRISON IN INDIANA—** at the invitation of Warden Ward Lane of Indiana State Prison, with parental permission, in order to learn at first hand the wages of sin. Young delinquents, and lads headed that way, and entire high school classes, once they have toured the premises and heard the cell doors clanging shut, are reported to show real signs of interest in the job of playing things straight.

■ **THE POST WILL PRINT AGAIN,** having withdrawn from the New York publishers' agreement, but under a peculiar shadow: immediately after the *Post* said it was resuming publication, the great Macy's department store announced it would not advertise in the *Post*, even though that is now the only major metropolitan daily with a familiar masthead. Macy's explained it didn't want to "take sides," but some observers wonder whether Macy's wouldn't as soon see the financially teetering and politically leftish *Post* teeter plumb off stage.

■ **MAINTAINING PUBLIC ORDER** may become more difficult under a recent Supreme Court decision. The case goes back to March 1961, when 187 Negro students staged a demonstration around the Capital grounds in Columbia, South Carolina. About 300 spectators gathered around, and the local police asked the demonstrators to "break it up"—in the time-honored phrase of policemen when they smell trouble afoot. The Negroes refused to disband. All 187 were arrested for breach of peace and convicted. Now the Supreme Court has reversed the convictions, finding them in violation of the right to freedom of speech and assembly. Free speech, said Justice Potter Stewart, writing the opinion for the eight-man majority, is often best exercised "when it induces a condition of unrest, creates dissatisfaction with conditions as they are, or even stirs people to anger."

■ **SECOND THOUGHTS:** United Rubber Workers Local 135 struck the Tonawanda, N.Y. plant of Dunlop last summer for 27 days to get a small pay increase. Last week the local voted overwhelmingly to accept a 10% pay cut to protect jobs by keeping the plant competitive.

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■ **NEW SPENDING PROPOSALS** offered so far by the White House this year; $4.6 billion for schools; $1.6 billion for mental health; $98 billion for hospitalization and other medical services for elderly; $100 million for youth work gangs. All, apparently, on top of $98 billion budget submitted for fiscal '64; though some of the new spending figures would stretch over more than one year. Republican congressional leaders have joined battle against White House extravagance. There's even some talk of holding down the legal debt limit—and if that happens, any unauthorized federal dept becomes the personal obligation of Secretary Dillon. As a result of all this, the White House spending plans will run up against unusual obstacles this session.

* FOCUS ON *

1. WAR IN VIETNAM

In Saigon in January, after his firsthand inspection of the war in South Vietnam, Admiral Harry D. Felt gave an interview in which he recalled that it had taken the British ten years to lick the Communists in Malaya. "The situation here," he concluded, "is tougher than Malaya."

In Washington in February, a few days after his return from his special mission to South Vietnam—and after a number of hours at the White House—Admiral Felt made an exceedingly optimistic statement for publication, predicting that the war against the Vietcong would be won "within three years."

In January the Vietcong, formerly restricted to hit-and-run guerrilla strikes, fought several battles with organized units of battalion strength. U.S. helicopter units suffered heavy losses in both personnel and craft.

2. MISSILES—THEIR AND OURS

It is now known that the number of separate IRBM bases to be dismantled as "obsolete" totals forty-five. Frustrated top U.S. military strategists, forbidden to talk publicly, point out in private: a) the IRBMs have virtually every key Soviet target in range, thus giving reconfirmation to still doubtful ICBM systems; b) if these nuclear IRBMs ringing the Soviet borders are really obsolete, why did we get into such a sweat over Russian IRBMs in Cuba? c) a Soviet nuclear strike would be compelled to divert several hundred missiles to the strategically defensive job of destroying these bases.

The Administration now admits that orders to the Navy compel aircraft carriers to accept the frequent overflights of Soviet bombers. Many an admiral lies awake nights with this query on his mind: What if those bombers, one day, drop nuclear bombs while overhead?

3. UN SHENANIGANS

The UN news managers have just issued an elegantly printed booklet, *The United Nations and the Congo*, which, they explain in a little preface, is "based on fact alone." Among the UN facts: "Geographically, historically, ethnically and economically, Katanga is related to the rest of the Congo. . . . United Nations troops . . . use their arms only as a last resort and in self-defense. . . . Allegations of atrocities against civilians . . . for the most

PEOPLE

Pres. **Ydígoras Fuentes** of Guatemala charges Soviet submarines are running men and weapons into his country from Cuba. . . . Costa Rican Pres. **Francisco Orlich** says his country will "support" any international action against Cuba—"including invasion." . . . Mexico's Pres. **López Mateos** reportedly resists pressure from Venezuelan Pres. **Rómulo Betancourt** to join growing Latin American Get-Castro-Out Club. . . . In Brazil, **Francisco Julião** (who recently sent his four children to Cuba to be educated) calls for use of force to oust American influence from Latin America. Julião, rabble-rousing leader of impoverished farmers in northeast Brazil, recently visited **Fidel Castro**. . . . Sen. **George Aiken** (R., Vt.) after surveying Administration thrashings about on how to handle presence of Soviet troops in Cuba comments that what we have here is a "policy gap." . . Saluted in virtually every hard-left organ from lower Manhattan to Moscow, **W. E. B. DuBois,** Negro historian and author who has just celebrated his 95th birthday. Birthday gift from **Kwame Nkrumah**? Honorary Ghanaian citizenship.

Sen. **Thomas J. Dodd** joining tax cut proponents. His suggestion: 30% across-the-board reduction in personal income tax rates; cut from 52 to 47% in corporate income tax rate; abolition of most warborn federal excise taxes. . . . **William Knowland's** active presence at California Republican Assembly last month touched off speculation he may plan to run for Senate against incumbent **Clare Engle** in '64. . . . Retained by publisher **William Loeb** *(Manchester Union Leader, Vermont Sunday News)*, former Vermont Gov. **Ray Keyser Jr.** Mission: to get apology from Sen. **Edward Kennedy** who roughed up a *Sunday News* photographer at Stowe several weeks ago. . . . Whether it's cause and effect or not, ABC announces it will drop **Howard K. Smith's** controversial Sunday night TV commentary. (Smith recently featured **Alger Hiss** in comment on **Richard Nixon.**) . . . **Fulton Lewis Jr.,** who celebrates his 25th anniversary on the air this month, will be guest of honor at gala Washington D.C. dinner March 27.

Family rift? Canadian Liberal leader **Lester Pearson** basing his electoral campaign on acceptance of U.S. nuclear warheads for Bomarc missiles. His wife heads VOW (Voice of Women), Canada's equivalent of Women Strike for Peace. . . . Italian Communist leader **Palmiro Togliatti** cutting deep in his purge of the party. It's reported he may scratch as many as 30 to 35% of the present deputies when he draws up slate for next month's elections. Being dropped by the handful—old time labor and resistance leaders. . . . SEATO members alarmed at announcement Soviet Defense Minister **Malinovsky** plans ten-day visit to Indonesia later this month. They fear he and Sukarno may cook up new troubles for Brunei and proposed Malaysia Federation. . . . Malayan Prime Minister **Tunku Abdul Rahman** wondering—audibly—these days whether his country was well advised to support Indonesia's claim to Dutch New Guinea in the UN a year ago.

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part have been wild, irresponsible and a deliberate product of propaganda sponsored and paid for by the Katanga 'information machine.'"

The next objective on Nasser's schedule is getting the British out of Aden; on Sukarno's, getting the British out of Brunei. The Egyptian and Indonesian delegates have just placed Aden and Brunei on the agenda of the UN Colonialism Committee, figuring that the anti-colonial resolution sure to come will help squeeze London.

A proposal has been made that judges on the World Court renounce their national citizenship to become UN citizens. UN circles believe that if the Communists on the Court were no longer known as Soviet or Rumanian or Polish citizens, it would be easier to counter objections to U.S. repeal of the Connally Amendment.

* IN THE BACKGROUND *

1. OPERATION BAGHDAD

Washington—having learned at least something from the U-2 affair—quickly denied the rumor that CIA had been involved in the revolt that liquidated Abdul Karim Kassem. This denial was for the record only. Kassem had lost his grip, and the Iraqi situation was getting out of hand. The Kurdish rebellion, pushed by Moscow, was spreading; Soviet technicians were constructing military bases; local Communist cells were multiplying; the students were on the streets; the Kuwait episode had alarmed Britain and the international oil companies. So it was decided that CIA should back an undefined "National Council of the Revolutionary Command," fronted by Kassem's former friend, Abdul Salem Aref.

Both London and Cairo were brought in on Operation Baghdad. London got an agreement that led to the new regime's prompt declaration that a) it renounced claims on Kuwait and b) it would honor the contracts with the Iraq Petroleum Co. Cairo was happy at elimination of one of Nasser's principal rivals to Arab leadership.

Outsiders were tipped off when Washington, London and Cairo all recognized the Aref regime within 48 hours, before it was even confirmed that Kassem was dead.

Insiders recall that CIA's first major protégé in the world was none other than Gamal Abdel Nasser. In spite of all that has happened since 1954, when Nasser took over from Gen. Mohammed Naguib, some CIA officials still think they made a good bet.

2. PARIS AND MOSCOW

Special personal representatives of de Gaulle, outside the regular diplomatic service, have been secretly in touch with Soviet officials since last summer. Topic: the revival of the 1944 Franco-Soviet pact, signed by de Gaulle, and never renounced by France. It was suspended unilaterally by Moscow in 1955, on the ground that France's NATO policy was incompatible with its provisions.

Long-time Soviet Ambassador to France, Sergei Vinogradov, is de Gaulle's closest personal acquaintance in the diplomatic corps. Vinogradov maintained the relationship during all the years when de Gaulle was out of power and more or less isolated. Over the past decade he has been the most frequent visitor at Colombey-les-deux-Églises. De Gaulle's first official appointment after the Brussels veto of British Common Market membership was with Vinogradov.

* WHAT'S AHEAD *

1. CARY VS. WALL STREET

The report of the Securities and Exchange Commission, now under the chairmanship of New Frontiersman William Cary, on the stock exchanges and brokerage and investment conduct is due for release April 1, give or take a few days. As the text now stands, it throws such a heavy punch at the financial community that its effect may prove more staggering to business confidence than the steel price pounding.

Capitol Bulletin

Washington *March 19, 1963*

Despite his much-publicized reading of newspapers, the President has reached a point of virtual isolation in which the gossip of his advisers has replaced any direct knowledge of the temper of the country. He has therefore convinced himself that the drumfire of attack on his Cuban policy and on the feebleness of his reaction to Kremlin aggression and aggressiveness comes merely from a handful of "malcontents."

The fact of the matter, however, is that "bipartisanship" in foreign policy hangs by a hair. Only the foolishly determined efforts of the Senate Republican leadership prevent an open break with Administration appeasement. In the House, where responsiveness to the public is greater, restiveness increases daily. "Bipartisanship," in fact, has taken a new form—namely the private denunciation in congressional cloakrooms of systematic falsifications of the record by the White House and the State Department.

The steady deterioration of the Cuban situation may force the timid GOP leadership into declaring its independence of the Administration. In an effort to forestall an open rupture, the President sent CIA director John McCone up to Capitol Hill. But this strategy has failed. Mr. McCone is no man's stooge—nor will he leave the Central Intelligence Agency open to charges of inefficiency by suppressing information of Soviet strength on the island or the systematic export of trained Communist guerrillas to other Latin American nations.

At issue basically is the apparent conviction on the New Frontier that foreign policy and the national security are

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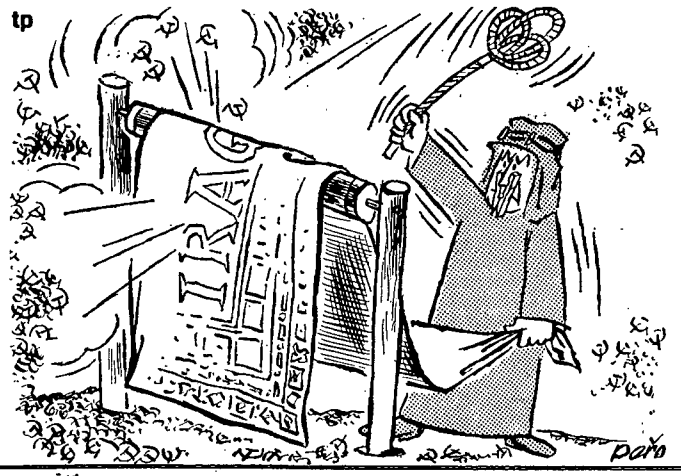

One faction in the Administration, not convinced that wrecking business confidence is the best way to inject Vigor into the economy, is trying to get the President to order Cary to soften the text, so far without success.

2. MEN IN THE MOON

Many leading physical scientists take an aloof and skeptical view of NASA's rising Manned Space Center in Houston. In private conversation a well known nuclear physicist remarked: "The Space Center may be a good thing for the economy of the Southwest, pumping in $20 billion over the next decade, but it has no scientific interest. It has signed up some good technicians, but only third-rate scientists. And, by the way, they're not going to get to the moon. The whole conception of the project is out of kilter."

political weapons to be used for the perpetuation of the party in power rather than for American survival. This kind of thinking can be discerned in what might be the biggest scandal in decades were the Republicans ready to publicize the facts. In order to rebuild political fences in Texas, the Pentagon has been funneling billions of dollars—all part of the record-shattering military budget—into Vice President Johnson's bailiwick. It is now a matter of record that:

1. The Air Force awarded a contract, eventually to cost $6.5 billion, to the high bidder in Texas rather than to the low bidder in Washington State.

2. The contract for the TFX plane went to the Texas firm even though military evaluation boards had found the Washington specifications far superior.

3. In defending the contract award before the McClellan Government Operations subcommittee, Air Force Secretary Zuckert ascribed to the Texas winner the superior specifications of the losing bidder—a curious cover-up.

4. Loss to the taxpayer is estimated at over $400 million dollars.

The White House, still shaking from the President's explosion over Arthur Krock's exposure of New Frontier "news management," shows no inclination to clean up the procurement mess at the Pentagon. But it should also be noted that the Congress is aware of the Pentagon Teapot Dome but has done nothing. Among all the congressional traditions, logrolling is the most honored—and few senators or representatives care to see military spending reduced.

When Harry S. Truman was in the White House, it used to be said that he had "hoof-in-mouth disease." This was particularly so when he discoursed on history. Mr. Truman is at it again, belaboring the Eisenhower Administration for not intervening in Cuba under the terms of the Platt Amendment. (The Amendment, a part of the Cuban Constitution drafted after the Spanish-American War, gave the U.S. "the right to intervene for the preservation of Cuban independence . . . [and] . . . the maintenance of a government adequate for the protection of life, property, and individual freedom."

The Platt Amendment would most surely have given the U.S. justification under international law for outright intervention. But as Rep. August E. Johansen said in the House right after the Truman effusion: "Mr. Truman overlooked—or chose not to mention—one other historical fact. The Platt Amendment was not 'there' in 1959, when Castro took over Cuba . . . The Platt Amendment was abrogated by the United States in May 1934, at the specific behest of Democratic President Franklin D. Roosevelt."

"Backdoor spending," whereby government agencies under blanket authorization are able to bypass the appropriations machinery of Congress, drawing directly on the Treasury, is on the decline as a result of a concerted campaign among fiscal conservatives. (Last year, only two backdoor spending bills were passed and they totaled $348 million. In 1961, the Congress had authorized nearly $20 billion in backdoor spending.) But the Administration is now attempting to finance the Export-Import Bank on a "backdoor" basis through a bill extending its life for another five years. However, Rep. James Harvey (R., Mich.) has introduced a bill which will require the bank to funnel its requests for funds on an annual basis through the House Appropriations Committee. This is the kind of measure that gets lost in the shuffle. But if enacted, it will be another step toward returning to the Congress its constitutional hold over the purse-strings.

Harvard Law School dean Erwin M. Griswold's speech on absolutism in the Supreme Court—a ringing attack on the school prayer decision—is having considerable impact in the capital. Dean Griswold, a certified Liberal and onetime absolutist on the Fifth Amendment, points up the dangers of the Court's decision. The source and seriousness of the Griswold attack have begun to undercut Liberal arguments that to criticize the Court is somehow subversive.

QUINCY

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At Home

THE DISMANTLING OF AMERICAN MISSILE bases in Turkey has been widely interpreted as President Kennedy's part in a deal with Nikita Khrushchev, stemming from the Cuban confrontation of last October. Republican critics have charged that this pullback of our defense was secretly agreed upon as the price of Khrushchev's withdrawal (yet to be consummated) of "offensive" weapons from the Caribbean.

There is reason to suspect this charge is true.

Khrushchev, after all, proposed precisely such a trade at the time of the "Cuban crisis," and Kennedy never explicitly rejected it. Then, after the President apparently was satisfied that the "offensive" threat had been removed from Cuba (other people were harder to satisfy), it was announced that America's 45 Jupiter intermediate-range missiles would be withdrawn from Turkey to be replaced by Polaris-bearing submarines in the Mediterranean.

Yet even if the charge of a Cuba-Turkey deal is true in detail, it is—so lugubrious is the condition of American strategy—in a larger sense irrelevant. For a reading of the Kennedy record in foreign affairs over the past two years makes it clear that the withdrawal of our missiles from Turkey would probably have come about even if Khrushchev had not tried to stuff Cuba with rocketry. This small "deal" is only an episode; a larger and much more frightening "deal" has long since been in the works, and the Cuban affair served merely to bring a portion of it to the surface.

The larger deal explains not only the Turkish pullback, but the Administration's otherwise baffling hostility to the RS-70 airplane (which Kennedy endorsed during his Presidential campaign), the rejection of the Skybolt missile, the slowdown on the Nike-Zeus anti-missile missile, and the sudden burst of official enthusiasm for the Polaris. All these developments, which have been the subject of individual controversies as they appeared singly, are part and parcel of a master strategy being followed by the Kennedy regime: a strategy designed to reassure the Soviet Union that America has only the most beneficent intentions, and is therefore willing to get rid of all "provocative" weapons which might be construed as "aggressive" in nature.

THAT SUCH A POLICY EXISTS, and that it is responsible for the hazardous reliance of U. S. policy on a single weapon, the Polaris, has been reported on high authority, and has yet to be contradicted by any official source. It was first revealed two years ago this month by Thomas B. Ross, the highly competent Washington correspondent of the *Chicago Sun-Times*. Ross reported that cutbacks on the RS-70, then programmed as the B-70 super-bomber, the Titan ICBM, and the Nike-Zeus were ordered because the Administration "wanted to avoid provocative, offensive weapons." Subsequent events have confirmed Ross' revelations.

Central figure in the Ross account is Kennedy adviser W. W. Rostow, now Chief of Policy Planning for the State Department. The central theme is the Kennedy regime's agonized desire to make clear that, whatever befalls, it will never, never launch a "first strike" against the Communists.

Rostow struck the characteristic note in a speech in Moscow, delivered in December, 1960. "It is important right now," he said, "and for whatever the transitional period proves to be, that in their military dispositions both the Soviet Union and the United States assume unambiguous second strike postures." Rostow had been sent to Moscow on a pre-inauguration mission by President-elect Kennedy.

Ross reported that Kennedy's 1961 defense message to Congress was in large part shaped by Rostow's thoughts upon returning from this journey. The professor had conferred with Deputy Foreign Minister Vasily V. Kuznetsov, and the latter had expressed his doubts about the proliferation of U. S. armaments. Ross expressed it this way:

"Rostow reported Kuznetsov had expressed doubt that U. S. military men honestly supported disarmament, and had voiced fears about the aggressive appearance of U. S. forces surrounding the Soviet Union.

"In military jargon, Kuznetsov was complaining that U. S. bombers and missiles in Europe and Asia looked like 'first-strike capability'—that is, they were too vulnerable to destruction by a sneak Russian rocket attack to be of much use in a counter-punch."

The so-called "first strike" category includes the RS-70 and all other manned aircraft, stationary ICBMs, Jupiter missiles in such places as Turkey, and (for some occult reason) the Nike-Zeus anti-missile missile. Just about the only thing it doesn't include is the Polaris, which can neither carry enough firepower nor summon enough accuracy to pose a realistic threat to "hardened" Soviet bases. The Polaris is also relatively invulnerable (although the shallow waters of the Mediterranean may make it less so), which means it could survive a Soviet attack and function as a "second-strike threat."

Rostow concluded: "It is my assessment that in the end they will respect us for doing this—even if we enlarge the military budget—so long as our moves are not designed to increase our first-strike capability."

AGAINST THIS BACKGROUND, the withdrawal of our Jupiter missiles from Turkey becomes all too comprehensible. Our retreat is not merely our payment for Soviet cooperation in Cuba; it is a gratuitous surrender designed to "ease Soviet anxieties." It is not simply a matter of caving in on a single issue at a particular time and place; it is instead the product of a total collapse of intellect, which will bear equally on every outpost of America's national defense.

M. Stanton Evans

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Abroad

LAGOS — **SIGNS OF DISINTEGRATION**

The Federation of Nigeria, largest of the new African nations (pop. 36 million) and well endowed with physical resources, began independent life on Oct. 1, 1960 under the glow of universally optimistic forecasts. The bright promise has rapidly darkened. Many observers believe the country is being held together today only because of its luck in possessing one fairly wise and honest man—Sir Abubakar Tafawa Balewa—to serve as Prime Minister. In the general opinion, all the other politicians have already proved themselves corrupt and self-seeking. Politics has become more and more tribal. The disintegrative tendency has forced agreement to split up one of the three constituent regions of the Federation. The government has refused to accept last year's census as valid, and no one knows how to conduct a new one, required for the elections due this year. Chief Awolowo, head of the Action Group and leader of the western state (the one slated for splitting) is currently standing a fantastic trial for treason. The grandiose 1962-68 economic plan has failed to get off the ground. Agents trained by Iron Curtain instructors in Ghana are engaged in sabotage and arson, as well as political intrigue. The only major project to show notable advance is the expanding University of Nigeria at Nsukka; but many believe its influence will be a further contribution to instability.

ZURICH — **NEWS MANAGEMENT**

Mr. Rohan Rivett, director of the International Press Institute, in a year-end report, has declared 1962 "a grim year for believers in freedom of the press. In many countries, editors and publishers striving to tell the truth to their communities have been silenced or dispossessed." The United States does not escape comment: "The Cuban crisis produced suggestions of a major breach in the traditional independence of the American press." The new African states are named as prime offenders: "Under one pretext or another the press has either been bullied into a narrowly subservient government line, or emasculated of all crucial comment throughout most of North Africa and West Africa." Indonesia, however, heads the list: "No one in Asia or Africa has moved further toward totalitarianism than Pres. Sukarno in Indonesia. As a final gesture, Ministers have become the controlling majority of the board of the news agency which dominates distribution of all domestic and foreign news to the Indonesian people." As if to supply a gloss to Mr. Rivett's report, Sukarno has recently laid down the line for the now official news agency, Antara. Indonesian journalists, he said, should get over their naive notion that reporting should be objective. "No revolution is objective," and the journalists' task is to give "news that favors and does credit to the revolution."

ADEN — **COFFIN NAILS**

A grim little weapon has been added to the modern arsenal for irregular warfare, one front of which is now active throughout much of the south Arabian peninsula. A number of persons in Yemen, Aden and the southern sheikdoms have been badly injured, in some cases killed, by explosive cigarettes—a stepped-up version of the old gag type. They are indistinguishable, except by a slight difference in weight, from ordinary cigarettes, and are included in cigarette packets in a ratio of about one in four. They are apparently being distributed by the Egyptian expeditionary force, partly by dropping the packets from planes over the Yemeni areas under royalist control.

LEICESTER — **FLUORIDE NO**

The City Council here continued the general trend in Britain by voting down (40-15) a proposal to add fluoride to the municipal water supply. The health committee had concluded: "Its benefits are beyond doubt and its safety has been established." This was not disputed. The decision was based on the principle summed up by Council member Guy Collis: "Compulsory dosing with fluoride would be a gross infringement on the individual's right of choice."

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Right Coffin, Wrong Body

WEST BERLIN — **SUICIDE OFFICE**

According to the World Health Organization, this city has an annual suicide rate of 33.9 per 100,000 inhabitants—the highest in the world. Although the most obvious explanation would seem to be its perilous Cold War position, this is refuted by the fact that even in the 1920s the Berlin rate was close to the highest. In a partly successful attempt to lower the rate, a 24-hour office has been opened at which two calm women are always prepared "to help without asking about race, color, political or religious views all men [and women—callers are about evenly divided between the sexes] who are lonely, despairing, or in deep spiritual need." It has been found that loneliness and love rank considerably above money as suicidal motives.

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The BUSINESS Bulletin

By Donald I. Rogers

THE STOCK MARKET reached a new high, bolstered by the glamorous earnings of the automobile industry and almost equally spectacular performances by most other industries; then it stumbled, seesawed for a day or two, and commenced to backtrack.

Prices didn't tumble, exactly; they eroded. Day after day the closing prices were lower than the opening. Volume, which had touched up toward six million shares one day, sloughed off into desultory trading, reaching down toward the three-million-share mark, as more sellers than buyers attended the marketplace.

The big question was: Why? What caused the sudden —if it *was* sudden—termination of enthusiasm? There were no big news breaks to affect the headline-conscious market, no abrupt changes in policy to affect the economy differently.

The reasons were threefold, and they bear exploration because those same reasons will govern activities in the stock market, off and on, for months to come.

First, as had been predicted in this space previously, a large number of traders came to the realization that the inspiring earnings figures being reported with such enthusiasm were, in fact, figures for last year's business activities, and that what counts now is the prosperity—or lack of it—of business this year.

Next was the hair-raising announcement from the White House that unless tax reform was voted immediately, the nation was in for a recession.

This was the new line of President Kennedy and his economic henchmen, Economic Adviser Walter Heller and Treasury Secretary Douglas Dillon.

Nobody quite believed the President or his aides, but the mere mention of the word, particularly in such auspicious quarters, is sufficient.

The third reason, one which will remain as a factor in stock market appraisals for some months to come, was the obvious inability of legislators in either the upper or lower house to reach any kind of agreement on a tax program, thereby jeopardizing the planning of businessmen throughout the Republic.

The average investor is a man who has worked hard to accumulate a bit of money above his immediate needs for living expenses, who wants to invest it in the securities of corporations functioning under America's unique enterprise system. This man, seeking a haven for his hard-won surplus, is confused by the posture of the Kennedy-Heller-Dillon triumvirate.

Almost all businessmen and nearly all other Americans with any comprehension of elementary economics were heartily in accord with President Kennedy when he began his campaign for tax reform. Most agreed with him that the reason America hasn't been growing as fast as other countries is this debilitating tax schedule which has been confiscating the money needed for investment, the stuff that creates new plants and equipment, and hence, creates jobs.

But when the tax cuts were announced by Mr. Kennedy, it turned out that he had cut the most from the bottom and the least from the top, in spite of the fact that most taxpayers in the bottom brackets are not investors in new plants and equipment, and aside from the fact that every time taxes are raised, they are raised most abruptly in the upper brackets and the least in the lower brackets.

Coupled with this was a schedule of "reforms," which, though reforms are admittedly urgently needed, were controversial and incendiary. Yet, in offering them to Congress, President Kennedy insisted that there could be no tax cuts without adoption of these identical reforms. These were reforms which would have increased the taxes for many in the middle and upper income brackets, deliberately defeating the expressed purpose of the new tax legislation.

Yet, when Congress balked, President Kennedy came up with an astounding statement. Unless the tax revisions and tax reforms are authorized by Congress, he said, the nation will head directly into a recession. The new legislation is intended to forestall such a recession, he added, implying that this was its primary purpose all along.

This was enough to depress the stock market, as well as to anger those who analyze the policies of the Administration for their effect on the economy.

Briefs

Some bears are roaring with pain as Molybdenum Corp. warrants touch $7⅞, up to $2 in a week. Although the short life and high premium of the warrants would appear to make them almost valueless, there are only 175,984 outstanding and two weeks ago the short position touched 64,548, suggesting a near-corner.

Heavy trading in Brazilian Traction (Amex) is due to speculation Brazil may expropriate company's assets and pay fair compensation because of Hickenlooper Amendment.

Readers of reliable almanacs who put two and two together must be pretty happy today. The record cold winter has been a big factor in the rise of sugar to three times its summer price, and in the record rates of refinery runs in the U. S. The ill Arctic winds in U S. and Europe that froze the sugar beets and chilled householders have blown somebody good.

Some Wall Streeters are annoyed at the ease with which the Province of Quebec placed its $300 million 5% debentures in New York. The proceeds are being used to expropriate local private power companies like Shawinigan.

Although high price-earnings ratios are the fashion these days, U. S. Smelting and Refining fascinates traders as it trades at 571 times 1962 earnings of 13¢ per share, down from 58¢ in 1961. Proxy fights loom.

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